




OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

MEMORANDUM

January 21, 2010

TO: Nancy Floreen, Council President

FROM: Isiah Leggett, County Executive 

SUBJECT: Council Deliberations on Clarksburg Development Districts

As the County Council turns its attention to the Gaithersburg West and White Flint Master Plans and the financing of infrastructure for those plans, I urge the Council to take action to implement the Clarksburg Development Districts, which reflect the infrastructure funding mechanism envisioned when the Clarksburg Master Plan was adopted. Consistent with the approach for implementing the Clarksburg Master Plan, on January 11, 2008, I submitted to Council the required Executive Fiscal Reports for the Clarksburg Village and Clarksburg Skylark Development Districts. I also recommended that the Council reconsider the infrastructure list for the Clarksburg Town Center Development District to remove some items and lessen the burden on taxpayers in the District. A copy of that transmittal is attached for your convenience.

I am concerned that the Council has taken no action in the past two years to proceed with the next steps and determinations called for under the County's development district law. Successful implementation of our master plans calls for us to follow through on the underpinnings of a given plan. This provides for consistency and stability in the development process.

The Council already has before it the information and submissions that it needs to move forward on the Clarksburg Development Districts. Nevertheless, to facilitate the Council's re-engagement in the process of moving forward, I am transmitting a resolution for the County Council consistent with my January 11, 2008 submission and my recommended FY11-16 CIP.

It is important that the Council take action to eliminate impediments to realization of the Clarksburg Town Center. The Certified Site Plan for the Town Center is expected to be approved by January 31, 2010 which will enable the developer to proceed to record plat and construction. We should now move forward with certainty towards financing the infrastructure needed for the project to proceed. The Council has taken no action in the past two years to move

the outstanding issues regarding the Clarksburg Development Districts towards implementation. Without action, communities within Clarksburg will flounder without infrastructure that is envisioned in the Clarksburg Master Plan and upon which development plans have been based.

For that reason I am asking that the attached resolution for the Town Center Development District be introduced for Council action. The resolution is consistent with the recommendations I made in January 2008, but updated to remove the Clarksburg Library consistent with the action taken by the Council in May, 2008 to remove development district funding from the Clarksburg Library in the CIP. This action moved the project beyond the six-year CIP period and provided additional uncertainty to the Clarksburg community regarding the future of their library. The library has been planned to be an anchor for the Town Center core; the decision not to have it funded by the development district calls into question when this key element of the Clarksburg Town Center will be constructed. In an effort to move the Clarksburg community forward, I have included general obligation bonds to fund the design of the Library in my recommended FY11-16 CIP.

Once the Council acts on the resolution, Executive staff can proceed with the work necessary for a bond resolution for the Clarksburg Town Center Development District. Executive staff cannot proceed with that work until the Council makes a final decision on the infrastructure that will be funded by the district. Otherwise, County staff and consultants will be required to provide multiple analyses due to an uncertain list which would be wasteful of County resources at a time when we are least able to spend resources unnecessarily. On the other two proposed districts, Executive staff stands ready to discuss my recommendations of two years ago in a worksession with the appropriate Council Committee.

It is time for the Council to proceed with the process it embarked on years ago which was the underpinning for development in Clarksburg. Just as it is important for the Council and the public to understand County assumptions about funding infrastructure for White Flint, it is important for the County to implement the financing structure it chose for infrastructure needed to support development in Clarksburg. I hope the Council will schedule a worksession or other Council action in the very near future to show the Clarksburg community that it is not forgotten and to ensure that County Government is not an impediment to the realization of the Clarksburg Town Center.

Attachment

cc: Jennifer Barrett, Director, Department of Finance
Kathleen Boucher, Assistant Chief Administrative Officer
Marc Hansen, Acting County Attorney
Diane Schwartz Jones, Assistant Chief Administrative Officer
Catherine Matthews, Director, Upcounty Regional Services Center

Amended Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: County Council

SUBJECT: Clarksburg Town Center Development District – Revised Infrastructure List

Background

1. On March 4, 2003, the Montgomery County Council adopted Resolution No. 15-87 creating the Clarksburg Town Center Development District.
2. Resolution No. 15-87 listed the infrastructure improvements that would be financed by the Development District, the estimated completion date and cost of the improvements, and the share of the cost that would be funded by the District.
3. By Memorandum to the County Council dated January 11, 2008, the County Executive recommended that the infrastructure list for the Clarksburg Town Center Development District be revised to reduce the funding for the infrastructure improvements, and that the County Council amend Resolution No. 15-87 to reflect these changes.
4. The County Council removed the Civic Center Library for Clarksburg from the CIP list which also requires a revision of the infrastructure list and reduces the funding for the infrastructure improvements.
5. Pursuant to changes made to County law by Bill 36-07, effective on January 26, 2009, the County Council is authorized by County Code §14-9(j) to amend its resolution after having given notice as required under County Code § 14-9(b).
6. Items 1 through 7 contained in the “Background” section and items 1 and 3-9 contained in the “Action” section of Resolution No. 15-87 are incorporated herein in their entirety.
7. As required by County Code §§ 14-9(j) and 14-9(b), the County Council provided notice of the proposed amended resolution, and on _____, 200__ held a public hearing on the proposed amended resolution.

Action

The County Council for Montgomery County, Maryland amends "Action" item 2 of Resolution No. 15-87 as follows:

1. The specific infrastructure improvements that will be financed by the Clarksburg Town Center Development District are listed in attached Exhibit A, including the estimated cost related to each improvement, the estimated completion date of each improvement, and the share of the cost that will be financed through the District. All of these improvements are either located in the District, or are outside the geographic boundaries of the District but are reasonably related to the development or use of land in the District.

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

APPROVED:

APPROVED AS TO FORM AND LEGALITY
OFFICE OF THE COUNTY ATTORNEY
BY: *Edith Romano*
DATE: 1-20-2010

EXHIBIT A – Revised Infrastructure List

**CLARKSBURG TOWN CENTER DEVELOPMENT DISTRICT
DISTRICT FUNDED IMPROVEMENTS**

<u>IMPROVEMENT DESCRIPTION</u>	<u>ESTIMATED COST</u>	<u>ESTIMATED COMPLETION DATE</u>	<u>SHARE FUNDED BY DEVELOPMENT DISTRICT</u>
Stringtown Road 800' gap (50% share of \$1.1 M total cost)	550,000	June 2014	50%
Stringtown Road Ext. (MD 355- I-270)	1,600,000 (not to exceed)	Completed. Opened to Traffic January 2007	25%
Stringtown Road (MD355- Piedmont Rd.)	4,435,000	Completed December 2007 June 2014	100%
MD355-Overlook Park Road	(1,744,000)		
Overlook Park Rd. – Piedmont Rd.	(2,661,000)		
Piedmont Road (now named Snowden Farm Parkway)	2,270,000	Completed Stringtown Rd. to Burnt Hill Rd. December 2005. Burnt Hill Rd. to Clarksburg Rd. estimated completion December 2012	100%
Lowering MD355 at Stringtown Road	905,000	Completed December 2007	100%
Clarksburg Road: MD355 to Town Center boundary	1,340,000 (290,000)	December 2012	100%
Town Center boundary to Piedmont Road	(1,050,000)	December 2012	100%
Greenway trails	460,000	June 2012	100%
TOTAL PRIMARY LIST	\$11,560,000.00		100%



OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

2010 JAN 11 AM 8:21

Isiah Leggett
County Executive

MEMORANDUM

January 11, 2008

TO: Michael Knapp, President,
Montgomery County Council

FROM: Isiah Leggett, County Executive

SUBJECT: Transmittal of Fiscal Report for Clarksburg Village and Clarksburg Skylark
Development Districts; and Recommended Reductions to Clarksburg Town Center
Development District Budget

I am transmitting for Council consideration my Fiscal Report for the proposed Clarksburg Village and Clarksburg Skylark development districts, as well as recommendations for a Revised Infrastructure List for Clarksburg Town Center Development District. The Fiscal Report evaluates both districts combined consistent with the petitions, Council's First Resolution, and reviews and discussions to date. Separate Council resolutions for each district, allocating specific projects, budget limits, and financing, will be required when Council prepares to create these two districts. In addition, as a result of discussions with the Town Center developer and in coordination with the Villages recommendations, I am also providing to Council my recommendations to reduce funding for the Town Center District planned improvements in order to achieve a lower recommended tax burden for that District consistent with the lower levels I am proposing for the new districts in Clarksburg.

My recommendations on these three districts result from an extensive review in the context of community concerns and County fiscal objectives. As outlined in my July 26, 2007 memorandum to Council, I believe that creation of the new districts, sized down to reflect community concerns over the additional tax burden, can be a positive step to assure that the interests of both the community and the County are served. My recommendations recognize input from Clarksburg citizens regarding the appropriateness of development districts as a financing mechanism. The citizens have raised significant policy issues which I have taken into account and which Council needs to evaluate carefully. I understand the concerns expressed, especially the potential establishment of privately controlled districts if the County decides not to proceed with publicly-created districts, and I have structured my recommendations to respond to those concerns.

Accordingly, I am recommending a course of action that is intended to provide timely enhancements benefiting the community, while reducing the incremental tax burden from what it would be if the developers' proposals were adopted.

RECOMMENDATIONS ON CLARKSBURG VILLAGE
AND CLARKSBURG SKYLARK DISTRICTS

Tax burden: For residential properties, an initial ad valorem tax rate that would result in about \$800 a year for an average single family home. This amount is one-third lower than the tax burden previously contemplated by County staff, and 47% percent lower than the \$1,500 tax burden contemplated in the developers' private alternative.

Non-residential property will pay the same ad valorem rate, plus an additional benefit assessment commensurate with the benefits received from the infrastructure financed. Assessments on undeveloped residential properties will be levied to the extent necessary to meet revenue requirements for debt service payments.

Infrastructure to be financed: The recommended infrastructure package of \$39.4 million includes items of community benefit, plus major unbuilt transportation segments that will provide improved traffic flow area-wide, but also particularly benefiting residents of the districts. Priority was given to roadway segments which allow a minimum four-lane flow of traffic into and out of the districts, including:

- Clarksburg Village's share of the Stringtown Road widening project from Snowden Farm Parkway to MD 355;
- Snowden Farm Parkway (A-305) from Foreman Boulevard to MD 27; and
- Widening of MD 27 between Snowden Farm Parkway and Brink Road.

In addition, my recommendations include monies to ensure the timely completion of the following community amenities:

- Complete funding, together with the Clarksburg Town Center development district, for a Clarksburg Public Library opening in FY11. Costs are allocated among the three districts consistent with the share of residential units in each.
- Improvements for the planned Clarksburg Village South Local Park
- Enhance two Clarksburg Greenway trail/road crossings; and
- Greenway Trail improvements across privately held land to be acquired by the Parks Department.

Provisions for timely completion of infrastructure: Development districts, in and of themselves, cannot control the pace of development activity or the timing of infrastructure in relationship to when development occurs. Those powers lie with the Planning Board, implemented through the development approval process. However, I believe it is appropriate to use the disbursement of development district monies to provide incentives for the "more timely and coordinated"

provision of infrastructure consistent with the First Council Resolution authorizing the evaluation of the districts. For this reason, I am recommending that timing for reimbursement of certain developer-required road projects be contingent on the completion of other improvements to ensure the achievement of desired objectives. For example, disbursements for the section of Snowden Farm Parkway from A-302 to MD 27, and for the widening of MD27 between Snowden Farm Parkway and Brink Road, should be contingent on both projects being completed. Similarly, disbursement conditions should be set to ensure that park and trail enhancements are in place on a timely schedule to ensure the availability of these amenities for the residents, irrespective of whether such staging is mandated under Planning Board site plan conditions.

Planning Board requirements on remaining infrastructure: It should be noted that, although these recommendations do not fund all of the infrastructure items needed to support the planned development and included in the developers' petitions, planning approvals requiring the provision of those infrastructure items still remain, with the funding of these items still the responsibility of the developers. This includes already built segments of Snowden Farm Parkway (A-305), Little Seneca Parkway (A-302), Foreman Boulevard extended, other local park improvements and Greenway Trail segments, and grading for three school sites. Cost estimates and descriptions of all projects considered in the development of the Fiscal Report are contained in Appendix B of the Fiscal Report.

Bond structuring and timing: The fact that a great deal of the planned development in the two districts has already occurred is to our advantage for estimating tax burdens, structuring the bonds, and providing a strong security that will result in lower interest rates. However, numerous tasks remain as part of the financing process, including appraisal of the districts, due diligence on the developers and builders, and marketing of the bonds. The County Finance Department also takes into consideration an efficient timing of bond issuance, in relation to the timing of the County's tax billing cycle and when tax revenues are available to make debt service payments. It is estimated that the first series of bonds could be issued as soon as spring 2009; an earlier financing would add capitalized interest costs which do not benefit the taxpayers. Due to the lengthy build-out of the Village and Skylark developments, and timing aspects of bond issuances and payout schedules, district-backed County bonds may be issued in two series for each district, with the second series of bonds issued at a later date.

Changes in Development Plans after Second Resolution: As has been experienced in other development districts, development plans can change significantly between preliminary plan and final record plats. The recommendation made herein reflect the latest information on unit counts and type, and non-residential plans. However, additional changes should be expected after the Council adopts a recommended tax burden and list of infrastructure to be financed. If reductions in projected district revenue result from any changes in developer plans after the Council has created a district, the district budget should be reduced accordingly, rather than create an expectation that the revenue shortfall would be covered by future increases in the tax burden. Such reductions should come only from developer-required projects so that funding for

community amenity projects is not impacted. I recommend that the County Council include such a policy statement in its adopting resolution.

RECOMMENDATIONS ON CLARKSBURG TOWN CENTER

While the Clarksburg Town Center Development District is already formed and a list of infrastructure to be financed already approved by the County Council, I believe certain changes are in order that would be responsive to community concerns and which also would achieve consistency among the three development districts.

Tax burden: Executive Staff's intent since 2002 has been to recommend a consistent initial tax burden for all three districts. Consistent with my above recommendations for the Clarksburg Village and Skylark districts, I am recommending for the Clarksburg Town Center Development District an initial ad valorem tax rate that would result in about \$770 a year for an average single family home, or one-third lower than the \$1200 tax burden previously approved by the County Council. This significant reduction is achieved through reductions in the amount of infrastructure to be financed, and a recalculation of the revenues that would be generated by the currently proposed development mix for Clarksburg Town Center.

Infrastructure to be financed: To achieve the lower tax burden noted above, I also recommend that the County Council reduce the budget for Clarksburg Town Center from the current \$17 million in infrastructure funded to \$15.5 million. My detailed recommendations are shown on the attached Table. The reduction reflects re-allocation of district shares for the Clarksburg Library funding based on the number of dwelling units in the respective districts, and deletion or reduction in other projects in order to lower the amount of infrastructure financed to the amount that can be afforded at the recommended tax level.

In addition, I recommend elimination of the secondary or "B List" of Town Center projects, so that any cost savings in primary projects will directly benefit homeowners through future reductions in tax burden instead of being redirected to other projects that the developers are required to build.

I recognize that it is unclear as to whether the Council can amend the Second Resolution for Clarksburg Town Center or incorporate the changes recommended above in the Third Resolution. I will look to the County Attorney's Office, working in conjunction with the Council's Legislative staff, to determine the most appropriate course of action to implement my recommended changes.

As with the Clarksburg Village and Clarksburg Skylark development districts, I recommend that certain disbursements be tied to other infrastructure completion to ensure that we achieve Council's original goal, as stated in its Sept 26, 2000 resolution #14-648, of providing public infrastructure "in a more timely and coordinated fashion."

Michael Knapp
January 11, 2008
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CHANGES TO DEVELOPMENT DISTRICT LAW

I support the recent introduction by Councilmember Trachtenberg of Bill No. 36-07 Development District - Amendments. I have directed my staff to review the proposed law changes, and provide to you comments and recommendations as appropriate.

Conclusions: I am recommending creation of the Clarksburg Village and Clarksburg Skylark development districts, and certain limited revisions to the Clarksburg Town Center Development District; after careful review and consideration of significant community concerns. As I have proposed, the three districts would be balanced to meet the needs of the communities over desires of the developers, would represent prudent financial transactions for the County, and would deal with impacts that changes in developer plans might have on the form and structure of the districts over time.

I look forward to working with the Council to address these recommendations. My staff is available to brief the Council at your convenience. Please direct any questions you may have to Jennifer Barrett, Director of Finance, at 240-777-8870.

IL/ead

Attachment: Fiscal Report

cc: Royce Hanson, Chairman, Montgomery County Planning Board
Jennifer Barrett, Director, Department of Finance
Joseph Beach, Director, Office of Management and Budget
Leon Rodriguez, County Attorney
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Parker Hamilton, Director, Department of Public Libraries

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Jennifer Barrett, Director, Department of Finance
Joseph Beach, Director, Office of Management and Budget
Leon Rodriguez, County Attorney
Art Holmes, Director, DPWT
Parker Hamilton, Director, Department of Public Libraries

**Clarksburg Village and Clarksburg Skylark Cost of Improvements
Developers' Petition v. County Executive Recommendation**

Improvement	Petition*	County Executive Recommended
Stringtown Road (along Cl. Vill. Frontage)	1,600,000	1,600,000
A-305 from Foreman Blvd to A-302	6,300,000	6,300,000
A-305 from A-302 to MD27	11,300,000	11,300,000
MD 27 Widening	7,210,000	4,500,000
Library		13,200,000
Clarksburg Village South Local Park Completion		1,500,000
Trail Crossing at Foreman		200,000
Trail Crossing at A-305		600,000
Trail Gap		200,000
Skylark Road	\$4,980,000	
Middle School Site grading	1,130,000	
Skylark Local Public Park	1,750,000	
Community Center	600,000	
Greenway Trail (Skylark segment)	920,000	
Little Seneca Parkway (A-302)	19,560,000	
A-305 from Stringtown Rd. to Foreman Blvd.	6,500,000	
MD355/MD27 Intersection	1,150,000	
MD27/Brink Rd Intersection	300,000	
Foreman Boulevard	3,850,000	
Elementary School Site grading (Cl. Village)	690,000	
Elem. School/North Park Site grading (Cl. Vill)	750,000	
Cl. Village South Local Park (grading)	630,000	
Greenway Trail (Cl. Village segment)	1,820,000	
TOTAL COSTS	\$71,040,000	\$39,400,000

* Items included in developers' petitions are reflected at latest cost estimates.

Clarksburg Town Center

Improvement	2nd Resolution	County Executive Recommended
Library	4,640,000	3,940,000
WSSC 20" Water Main	779,000	-
Stringtown Road (800' Gap)	550,000	550,000
Stringtown Road Extended	1,600,000	1,600,000
Stringtown Road - East of MD355	4,435,000	4,435,000
Lower MD 355 at Stringtown Road	905,000	905,000
Piedmont Road	2,270,000	2,270,000
Clarksburg Road	1,340,000	1,340,000
Greenway Trails	460,000	460,000
TOTAL COSTS	16,979,000	15,500,000

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CLARKSBURG VILLAGE AND CLARKSBURG SKYLARK

DEVELOPMENT DISTRICTS

COUNTY EXECUTIVE FISCAL REPORT

Report Prepared by:

Montgomery County Department of Finance

Assisted by:

Office of Management and Budget,

Department of Public Works and Transportation,

Public Financial Management, Inc., and

MuniCap, Inc.

January 11, 2008

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REPORT SUMMARY

The County Executive supports the formation of the Clarksburg Village and Clarksburg Skylark Development Districts at a scale of infrastructure to be district funded that is significantly reduced from the proposals submitted to the County Council in 2001. This conclusion is based on the following fundamentals:

1. The cost of improvements proposed by the developers for district funding is currently estimated to be \$71 million.
2. To support this level of financing, the added tax burden on the owner of a typical single-family detached home in the districts would be in excess of \$1,500 annually. This represents 23.4 percent of the current property tax on a typical (i.e., \$700,000 market value) single family home in Clarksburg. The Executive considers this amount to be an unacceptable burden.
3. Under the developers' most recent (September 2007) proposal, 98 percent of district expenditures would be to reimburse the developers for public infrastructure that is required of the developers regardless of whether districts are created. This would make the districts a mechanism for almost exclusive financial benefit to the developers, underwritten by the home owners.

Alternatively, the Executive believes that a program could be structured for the two proposed districts that imposes a significantly lower tax burden on home owners, and funds infrastructure projects that would benefit the broader Clarksburg community. The Executive supports formation of districts having characteristics summarized below and as detailed in Part II of this report:

1. The projected initial ad valorem tax burden for a single family detached home in the districts should be about \$800 per annum.
2. Under this guideline, district-based bond issues totaling \$45.2 million could be financed, providing \$39.4 million worth of infrastructure. Most of these funds would be focused on new road capacity to access I-270 via Stringtown Road and via Snowden Farm Parkway and MD Route 27. The remainder would fund improvements that are currently not the responsibility of the developers but would provide additional benefit to the community:
 - Completion of funding for a public library in the Clarksburg Town Center;
 - Completion of facilities in the Clarksburg Village South Local Park, where the developer is currently required only to dedicate and grade the site;
 - Enhancements to the proposed Clarksburg Greenway Trail system to assure pedestrian safety and trail continuity.

Part I of this report explains the developers' petitions requesting the formation of the Clarksburg Village and Clarksburg Skylark development districts, and it evaluates the cost of the infrastructure requested in the petitions, as well as the costs to the property owners, in taxes, necessary to pay for the requested infrastructure. Part I of this report addresses specific requirements of Section 14-8 of the Act to:

1. Estimate the cost of improvements listed by the Planning Board, and compare these estimates to those submitted by the developers;
2. Estimate the amount of revenue needed to cover the districts' share of all improvements funded fully or partly by the district;
3. Estimate the tax rate for each form of taxation available to the districts that would produce the necessary revenue; and
4. Recommend whether to create the districts.

Part II summarizes the Executive's recommendation for a modified list of improvements for district funding, and evaluates the revenue and tax implications of that recommendation.

PART I. EVALUATION OF PETITIONER PROPOSALS

A. PURPOSE AND BACKGROUND

The purpose of this report is to comply with Section 14-8 of the Montgomery County Code, Chapter 14 Development District Act (the Act). On July 17, 2001, developers filed petitions with the County Council to create two development districts, to be known as Clarksburg Village Development District and Clarksburg Skylark Development District, in the Clarksburg Policy Area. On February 14, 2002, the County Planning Board reviewed the proposed projects for compliance with AGP and APFO requirements. On November 3, 2005, the developers submitted amended petitions to change the boundaries, acreage, and scale of development in the two proposed districts.

As currently proposed by the developers, the districts would consist of approximately 1,139 acres containing 3,983 dwelling units (2,653 in Clarksburg Village and 1,330 in Skylark) of various types, and 109,000 square feet of leasable retail space. As of December 1, 2007, about 950 homes were built and occupied. Information on the petitioners/property owners and a detailed description of the proposed development can be found in the original and amended petitions.

The County has utilized an independent financial advisor (Public Financial Management, Inc.) to assist in the review of the financial feasibility of the proposed districts. This report reflects analysis by the advisor, its subcontractors, and County staff through a process that also included consultation with Planning Board staff regarding its on-going review of subdivision plans in Clarksburg Village.

B. COMPARISON OF INFRASTRUCTURE COSTS

In their July 17, 2001 petitions to County Council, the developers proposed development district funding for required public infrastructure then estimated to cost approximately \$43.6 million. Pre-preliminary engineering data for required road projects and for most of the other public improvements was subsequently provided by the developer in July, 2002, with cost estimates updated in December, 2002 to \$61.4 million. In its review of the developers' proposals, the Planning Board accepted the list of infrastructure as requested in the petitions. The most recent developer updates, in September and November, 2007, increased those costs to \$71 million (Table "A" attached). The financial feasibility analysis in this report is based on this amount. Appendix "B" provides scope descriptions of all the various projects considered in this analysis.

C. REVENUES REQUIRED AND RESULTANT TAX RATES

In order to estimate the amount of district revenue needed to cover allocated infrastructure costs, certain assumptions regarding the structure of possible bond issues must be made. The structure is assumed to be similar to that used by the County for the West Germantown Development District. Key features of a financing structure for the subject districts are as follows:

- Four months of capitalized interest, reflecting the need to finance improvements before full build-out and before the full amount of special tax revenue is realized;
- Increasing debt service payments and special tax revenues to reflect increased property values over time;
- In each district, a debt service reserve fund equal to ten percent of the par amount of the bonds.

In accordance with these financing provisions, the total bond issue necessary to provide \$71 million for projects listed on Table A is \$83.6 million. Bonds totaling \$83.6 million are expected to be sold in two separate series, with the first series sold in early 2009 and the second sold in early 2012. The first series of \$41.9 million represents about 4.3 percent of the value of the district (\$971.2 million) at the time of issuance, while the second series (\$41.7 million) represents about 2.4 percent of value of the district (projected to be \$1.71 billion at the time of issuance). The combined value-to-lien ratio for both series is projected to be 32 to 1, which is eight times higher than the County's objective for land-secured debt of 4 to 1.

D. ESTIMATION OF TAX RATE

The County Executive engaged an independent financial advisor, Public Financial Management, Inc. (PFM) to assist in the estimate of the real property tax rates that would have to be set in order to collect special taxes sufficient to pay the debt service on the bonds sold to fund the infrastructure costs. PFM, through its partner, Municap, Inc. (Municap), provided such analysis for both the petitioned amount of infrastructure and the County Executive's recommended amount of infrastructure (which follows, in Part II).

Using a sample of current assessed valuations of the various types of improved and unimproved residential real property within the districts, the advisor estimated future assessed valuations for these properties, and applied these valuations to the number of units that are to be improved each year, according to the Planning Board's permit staging requirements. The result of this is a projection of annual total assessed value for the district. Estimated tax rates are calculated by dividing the debt service amount by the assessed valuation (and dividing by 100, as Maryland taxes are collected per \$100 of assessed valuation).

In order to fund the projects proposed by the developers, the following tax rates would apply (also see Appendix C):

1. An ad valorem tax rate increase on developed residential property of \$ 0.208 per \$100 of assessed value would result in an initial annual special tax burden of \$1,515 on a single family home with a market value (assessed value) of \$700,000. This rate is 23 percent of the current property tax rate in Clarksburg.

2. A benefit assessment or some other form of tax on retail, office and undeveloped residential property sufficient to satisfy the appropriate portion of debt service requirements. The initial amount would be \$214 per "equivalent dwelling unit."

E. RECOMMENDATION ON CREATION OF DISTRICTS

The County Executive does not recommend the creation of the Clarksburg Village and Clarksburg Skylark development districts as proposed by the petitioners. The County Executive recommends creating the two districts using the boundaries proposed by the petitioners, but with a reduced amount of funded infrastructure, compared to the petitioners' proposal. The County Executive's recommendation is detailed in Part II.

PART II. COUNTY EXECUTIVE RECOMMENDATIONS

A. SUMMARY OF RECOMMENDATIONS

The Executive believes that development districts for the subject areas could be structured at a reasonable tax burden for the property owners, and also provide funding toward infrastructure that will benefit the broader Clarksburg community. The Executive supports formation of the districts subject to the characteristics summarized below and as further detailed in the following sections.

1. The projected initial ad valorem tax burden in the proposed districts should be limited to about \$800 on a single-family detached home of \$700,000 market value.
2. Under this tax burden guideline, the total amount of infrastructure which could be financed from these districts is limited to \$39.4 million. Total bond proceeds of approximately \$45.2 million would be required.

B. STRUCTURE OF FINANCING AND MEASURES TO ADDRESS RISK

Consistent with the County's implementation of prior development district financings, the County would apply risk reduction measures as it moves forward to implement the subject districts. These risk measures, viewed favorably by both the rating agencies and the investment community in the prior districts, include:

- Bond proceeds would be disbursed primarily for acquiring infrastructure projects only after they have been substantially completed by the developer;
- Completion bonds from contractors are still required until bond proceeds are available (County bonds are issued);

- Letters of credit are required to cover the developers' tax obligations on developer-owned property;
- A debt service reserve fund provides an additional cushion to ensure payment of debt service on the bonds prior to having to take property to tax sale; and
- Implementation Agreements between the County and the developers will address other matters such as cost overruns, timing of disbursements, and detail and forms of assurances noted above.

C. ADDITIONAL COMMUNITY BENEFITS

In the context of "growth paying for itself," the Executive believes that the subject districts should fund improvements that benefit the community as a whole at a level higher than that proposed by the developers. The adopted Clarksburg Master Plan recognizes that the policy area cannot be developed without significant funding of infrastructure from "non-typical" sources, such as development districts.

The Executive recommends that improvements funded through the subject districts should include contributions to some additional projects to benefit the larger Clarksburg community. Specifically, the Executive recommends the following projects which were not included in the developers' original petition:

- Provision of \$13.2 million to complete the funding needed for design, construction, and outfitting a new public library in Clarksburg. This reflects the currently estimated total library cost of \$17.143 million, which does not include any cost for parking. It also assumes that the remaining \$3.94 million will be provided from the Clarksburg Town Center District.
- Enhancements to the planned Clarksburg Greenway Trail system, to provide safe and convenient grade-separated crossings where the Trail will cross two arterial roads in Clarksburg Village: at Foreman Boulevard and at Snowden Farm Parkway. The incremental cost of these enhancements is projected at \$800,000. An additional \$200,000 is needed to assure funding for eventual completion of the Greenway Trail across an 8-acre parcel of land that is not proposed to be in the Village District, and across which the developer of Clarksburg Village is not required to extend the trail.

D. INFRASTRUCTURE RECOMMENDED FOR DISTRICT FINANCING

To stay within an acceptable additional tax burden and risk level as described above, the Executive recommends that the maximum amount of infrastructure financed through these two districts should be \$39.4 million. This amount is significantly less than requested by the developers, and includes County enhancements described above. The projects that can be afforded within the \$39.4 million limit are presented on Table B.

Projects proposed by the developer that would not be district funded, still remain their obligations under Planning Board subdivision and site plan approval conditions.

E. ITEMS FOR FUTURE EVALUATION

Following Council action to create the proposed districts, numerous items will need to be addressed prior to any bond issues. These items include:

- Due diligence must be conducted on the owners/developers.
- The special tax methodology must be finalized.
- Implementation Agreements will need to be executed, which will address a number of details relating to the disbursement of bond proceeds and the mechanics for payments to developers.
- Bond counsel must have provided a tax opinion on the tax exempt nature of the bonds.
- The County will conduct independent valuation appraisals, review market absorption assumptions and update information.
- The bonds will be actively marketed to potential investors prior to bond sale.

TABLE A
COST OF IMPROVEMENTS LISTED BY PLANNING BOARD
FOR DEVELOPMENT DISTRICT FUNDING
\$ in thousands

Petition Project No.	Improvement Project	Original Estimate by Petitioners	Current Estimate*
1	Skylark Road	\$2,500	\$4,980 **
2	Middle School Site grading	600	1,130
3	Local Public Park (Skylark)	650	1,750
4	Community Center	300	600
5	Greenway Trail (Skylark segment)	500	920
6	MD 27 Widening	7,000	7,210
7	Little Seneca Parkway (A-302)	9,500	19,560
7a	Md 27 to A-305	4,100	8,750
7b	A-305 to MD355	5,400	10,810
8	Snowden Farm Parkway (A-305)	16,400	24,100
8a	Stringtown Rd. to Foreman Blvd.		6,500
8b	Foreman Blvd to A-302		6,300
8c	A-302 to MD27		11,300
9	MD355/MD27 Intersection	700	1,150
10	MD27/Brink Rd Intersection	500	300
11	Foreman Boulevard	1,600	3,850
12	Elementary School Site grading (Cl. Village) 450	450	690
13	Elem. School/North Park Site grading (Cl. Vill) 550	550	750
14	Cl. Village South Local Park (grading)	650	630
15	Greenway Trail (Cl. Village segment)	1,500	1,820
16	Stringtown Road (along Cl. Vill. Frontage)	250	1,600
	TOTAL COSTS	\$43,650	\$71,040

*Reflects revisions through November, 2007

**Does not include \$500,000 County CIP participation in the segment abutting Ovid Hazen Wells Park.

Note: Costs in the "Current Estimate" column reflect scope changes, developer re-estimates, and other changes during Executive review. See "Projects Considered for District Funding" in "Appendix B" for descriptions of each project.

TABLE B

**PROJECTS RECOMMENDED BY THE COUNTY EXECUTIVE
FOR FUNDING BY CLARKSBURG VILLAGE AND CLARKSBURG SKYLARK DEVELOPMENT DISTRICTS**

Required/Not Required by Planning Board	Improvement	Funding Limit	Notes
R	Stringtown Road	\$1,600,000	2 lanes of ult. 4 lanes
R	MD Route 27, Brink Road to future Snowden Farm Parkway	4,500,000	Widen to 6 lanes
R	Snowden Farm Parkway:		
	Foreman Boulevard -- Little Seneca Parkway	6,300,000	4-lane divided
	Little Seneca Parkway -- MD 27	11,300,000	4-lane divided
NR	Clarksburg Public Library	13,200,000	Contribution to complete project funding
NR	Clarksburg Village South Local Park	1,500,000	Build park facilities
NR	Greenway Trail Road Crossings:		
	Crossing under Foreman Boulevard	200,000	Enhance underpass
	Crossing at Snowden Farm Parkway	600,000	Build underpass
NR	Greenway Trail Continuity	200,000	Build trail across 8-acre parcel
	TOTALS	\$39,400,000	

TABLE C

**TIMETABLE FOR COMPLETION OF PROJECTS THAT ARE
RECOMMENDED BY THE EXECUTIVE FOR CLARKSBURG
VILLAGE AND CLARKSBURG SKYLARK DEVELOPMENT
DISTRICT FUNDING**

Improvement	Completion Dates*
Stringtown Road	June-2009
MD 27, Brink Road to Snowden Farm Parkway	June-2010
Snowden Farm Parkway:	
Foreman Boulevard to Little Seneca Parkway	June-2010
Little Seneca Parkway to MD 27	June-2014
Clarksburg Public Library	June-2011
Clarksburg Village South Local Park:	
<i>(Site grading by June 2013; not proposed for funding)</i>	
Provision of completed park facilities	Spring, 2014
Greenway Trail/road crossings:**	
Crossing under Foreman Boulevard	June-2009
Crossing under Snowden Farm Parkway	June-2010
Greenway Trail completion across private land	June-2011

* Completion dates for the first four projects are as proposed by the developers or as conditioned by the Planning Board staging requirements. Completion dates for the last five projects are proposed by the Executive.

** Dates reflect developer's schedule for completion of the roads above the trail crossings.

APPENDIX A



WASHINGTON SUBURBAN SANITARY COMMISSION

14501 Sweitzer Lane • Laurel, Maryland 20707-5902

August 15, 2007

COMMISSIONERS
Prem P. Agarwal, Chairman
Stanley J. Botts, Vice Chairman
Sandra A. Allen
Marc P. Lieber
Dr. Juanita D. Miller
Joyce Starks

GENERAL MANAGER
Andrew D. Brunhart

Rec'd
AUG 22 2007

Mr. Edward Daniel
Coordinator for Clarksburg Development Districts
Department of Finance
Montgomery County Government
101 Monroe Street, 15th Floor
Rockville, MD 20850

Dear Mr. Daniel:

This is in response to your letter of July 30, 2007 requesting updates on several projects in the Clarksburg area. Enclosed separately is a chart showing updated costs and status information for projects serving the Clarksburg Town Center District and the Clarksburg Village/Skylark Village Districts.

The following is an update on other projects, some of which were included in WSSC's letter of June 4, 2002, that are not applicable to either the Clarksburg Town Center District or the Clarksburg Village and Skylark Development District:

W-46.14, Clarksburg Area, Stage 3 Water Main, Part 1 – 17,000 feet of 24-inch water main and 2,650 feet of 16-inch water main, estimated cost of \$4,527,000. – Under design.

W-46.20, Clarksburg Area, Stage 3 Water Main, Part 2 – 2,112 feet of 24-inch water main. – Constructed – Costs \$387,000.

S-84.46, Clarksburg Triangle Outfall Sewer, Part 1 – 4,220 feet of 24-inch sewer main, estimated cost of \$1,3115,920 – Under Construction.

S-84.47, Clarksburg Triangle Outfall Sewer, Part 2 – 800 feet of 24-inch, 3,300 feet of 21-inch and 3,500 feet of 21-inch sewer main, estimated cost of \$2,125,000 – Under Design.

S-84.60, Cabin Branch WWPS, 0.9 mgd Wastewater Pumping Station, east of Clarksburg Road, west of Old Baltimore Road; estimated cost of \$1,961,000 – Planning Stage.

S-84.61, WWPS Force Main – 1,900 feet of 10-inch forcemain, east of Clarksburg Road, west of I-270 and south of West Old Baltimore Road; estimated cost of \$354,000 – Preliminary Design.



Mr. Edward Daniel
Coordinator for Clarksburg Development District
Department of Finance
Montgomery County Government
August 15, 2007
Page 2

S-84.62, Cabin Branch Tributary Sewer – 5,100 feet of 15-inch diameter sewer, east of Clarksburg Road and west of I-270; estimated cost – not available – still in planning stage.

S-84.63, Cabin Branch Trunk Sewer – 5,500 feet of 15-inch diameter sewer, east of Clarksburg Road and west of I-270 – estimated cost – not available – still in planning stage.

W-46.15, Clarksburg Elevated Water Storage Facility – 0.75 million gallon elevated storage facility in the H.G. 760 water pressure zone, estimated cost of \$3,844,000 – Planning Stage.

If you have any questions, please contact Mr. Thomas Gingrich of the Development Services Group at 301-206-8883.

Sincerely,

A handwritten signature in black ink, appearing to read 'Peg Robinson', with a long horizontal flourish extending to the right.

Peg Robinson
Acting Development Services Group Leader

Enclosure

cc: Montgomery County Council – Ms. Sue Richards

Projects Constructed by Developers Serving:

Clarksburg Town Center District and the Clarksburg Village/Skylark Village

(some costs may have been reimbursed through SDC credits)

Project Number	Project Name	Description	Serves District	Estimated Cost / Actual Cost	Contracts	Status
W-46.13	Clarksburg Town Center Water Main	7,535' - 20" W	CTC	\$1,142,000	Approx. 10	8 contracts constructed SDC Recap provided
W-46.18	Newcut Road Water Main	5,700' - 16" W	CV/S	\$ 769,000	Approx. 5	1 under construction
W-46.19	Newcut Road Water Main, Part 1	1,100' - 16" W	CV/S	\$ 174,045 ^{actual}	DA2669A99	Construction complete SDC Fully Reimbursed
W-46.22	Piedmont Road Water Main	3,100' - 20" W	CV/S	\$ 710,000	DA3795B04	Construction complete SDC Partial Reimbursed to-date = \$ 229,870
S-84.49	Clarksburg Area Stage 3 - Little Seneca Creek	3,695' - 15" S	CV/S	\$ 287,214 ^{actual} \$ 238,624	DA3263A 02 DA3263D 02	Construction complete SDC Fully Reimbursed SDC Fully Reimbursed
S-84.51	Clarksburg Stages 2 & 3 Trunk Sewer, Part 2	3,750' - 15" S	CV/S	\$ 573,026 ^{actual}	DS1588A96	Construction complete Special Agreement/ SDC Fully Reimbursed
S-84.55	Clarksburg Area Stage 3 - Newcut Road Neighborhood, Part 1	700' - 18" S	CV/S	\$ 123,000	DA2669A99	Construction complete
S-84.56	Clarksburg Town Center Outfall Sewer, Part 2	735' - 15" S	CTC	\$ 47,000	CT1729D96	Construction complete
S-84.57	Clarksburg Area Stage 3 - Newcut Road Neighborhood, Part 2	1,470' - 18" S	CV/S	\$ 129,843 ^{actual}	DA2754A00	Construction complete SDC Fully Reimbursed



MONTGOMERY COUNTY PUBLIC SCHOOLS
MARYLAND
www.montgomeryschoolsmd.org

August 17, 2007

Rec'd
AUG 24 2007

Mr. Edward Daniel, Coordinator
for Clarksburg Development Districts
Montgomery County Department of Finance
101 Monroe Street
Rockville, Maryland 20850

Dear Mr. Daniel:

Re: MCPS Facilities in Proposed
Clarksburg Development Districts

In response to your Memorandum of July 30, 2007, following is information relating to public school facilities in the Clarksburg Development Districts.

Clarksburg Town Center – Little Bennett Elementary School, located at 23930 Burdette Forest Road, opened in August 2006. The 4.81-acre site shares playfield space with land titled to the Maryland-National Capital Park and Planning Commission (M-NCPPC).

Arora Hills – The developer is to dedicate a graded and seeded 22-acre middle school site as a condition of preliminary plan approval. The record plat for dedication of the parcel is currently being reviewed by staff with M-NCPPC. MCPS staff had requested that a storm water management facility be removed from the site and will coordinate this request during the record plat review and preparation.

Clarksburg Village – Two elementary school sites are to be dedicated as a condition of preliminary plan approval. Phase I proposes a school/park site at the intersection of Snowden Farm Parkway and Grand Elm Street. The 13-acre site is to be conveyed to M-NCPPC at the time of record plat. If the school is constructed, M-NCPPC is to convey the needed portion of the site to the Board of Education. Applicant is to construct two rectangular athletic fields, a paved parking area and one picnic shelter. The school site area is to be fine graded and seeded to adequately accommodate athletic practice fields.

The Preliminary Plan for Phase 2 of Clarksburg Village is to be reviewed in the fall of 2007. Staff continues to be concerned about the fact that the elementary school site in this phase is under-sized, resulting in insufficient on-site parking and inadequate on-site traffic circulation.

Department of Facilities Management

2096 Gaither Road, Suite 200 ♦ Rockville, Maryland 20850 ♦ 240-314-1060

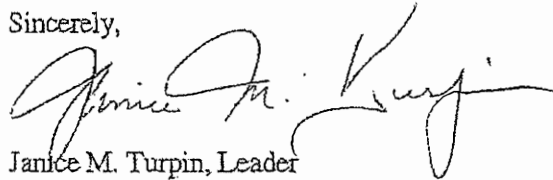
August 16, 2007

Cabin Branch – An elementary school site is to be dedicated along Clarksburg Road. Due to the topography of the area and future grading that will be necessary for school construction, retaining walls will be necessary. MCPS has requested that they be located off of the school site.

Summerfield Crossing (formerly the Linthicum Property) – This 9.3-acre property, located on West Old Baltimore Road, was acquired by M-NCPPC as an advanced land acquisition for the future replacement of Clarksburg Elementary School should that facility need to be removed for the master-planned transit facility. The site has been rough-graded and seeded.

If you have questions relating to the information that we have provided, please contact me at 240-314-1069. Thank you for the opportunity to comment.

Sincerely,



Janice M. Turpin, Leader
Real Estate Management Team
Department of Facilities Management

JMT:mpw

Copy to:
Mr. Lavorgna
Ms. Wilson

APPENDIX B

PROJECTS CONSIDERED FOR DISTRICT FUNDING

An Appendix to the County Executive Fiscal Report on the Proposed Clarksburg Village and Clarksburg Skylark* Development Districts

This Appendix describes 1) Projects which the County Executive recommends for District funding, some of which are not currently required under Planning Board subdivision approvals, and 2) Projects submitted for funding in the developers' petitions to the County Council in 2001 but not endorsed by the Executive. *It should be noted that projects not endorsed by the Executive for district funding remain obligations of the developers.* Construction timing noted herein reflects developers' current timetables; actual timing may be determined by market conditions.

PROJECTS PROPOSED BY THE COUNTY EXECUTIVE FOR DEVELOPMENT DISTRICT FUNDING

Stringtown Road, Snowden Farm Parkway to MD-355 This road is planned as a 4-lane arterial, with construction responsibility shared among abutting developers. The Clarksburg Village developer has proposed, and the Executive concurs, development district funding of \$1,600,000 for its segment along the 2,150 feet of frontage that the developer owned when its petition was filed. Since that time, the developer has acquired additional land having an 800-foot frontage along Stringtown Road, but under a separate agreement the Town Center developer has agreed to build this segment at its expense. The section of Stringtown Road between Overlook Park Road and MD355 is completed; the remaining segments are expected to be completed by fall, 2009.

Snowden Farm Parkway (A-305), Foreman Boulevard to MD-27 This road will be a major north-south artery serving the sector of the Clarksburg Planning Area east of I-270. It will connect to the master-planned M-83 major highway at Maryland Route 27. Snowden Farm Parkway will be four lanes divided except for a 2,000-foot section through the Village retail area where the roadway will be undivided and special streetscaping will be provided. A bike trail will parallel the road. Traffic circles are planned for locations where the Parkway enters/leaves the retail area in order to foster "pedestrian friendly" motorist behavior and to control speed.

Per Planning Board staging requirements, the developers will build the road in three segments, starting from Stringtown Road and extending southward. The first segment has been completed as far as Grand Elm Street, and construction is underway to Foreman Blvd. The Executive recommends district funding of only the segments from Forman Boulevard to A-302, and from A-302 to MD Route 27.

**The Skylark development is now Greenway Village subdivision, marketed as Arora Hills.*

A-305 Segment	Length (miles)	Cost (000)	Responsible Developer	Developer-forecasted Completion
Foreman to A-302	0.3	6,300	Skylark	2010
A-302 to MD 27	<u>1.3</u>	<u>11,300</u>	Village	2014
	1.6	\$17,600		

MD 27 The Planning Board requires that the developers of Clarksburg Village and Clarksburg Skylark add traffic capacity on MD 27 from Observation Drive to Skylark Road. Lanes have been or will be added to provide six through lanes from Observation Drive to future Snowden Farm Parkway. In addition, the intersection at Skylark Road has been improved. Cost of these improvements will be \$7,210,000. The Executive recommends that only the segment of MD27 between Brink Road and future Snowden Farm Parkway have priority for district funding (estimated cost \$4,500,000), to assure that there is continuity of improved north-south road capacity where Snowden Farm Parkway will connect to MD27.

The Executive proposes four additional projects for development district funding that were not included in the developers' petitions. These projects are over and above the minimum requirements established by the Planning Board. These will provide additional community benefit by enhancing or completing three developer-required projects, and assuring funding for a public library.

Clarksburg Library: The Executive recommends that \$13,200,000 be provided from the Village and Skylark districts to complete the funding of a planned library to be located in the Town Center. The most recently updated cost estimate for the library is \$17,143,000 (not including any surface or structured parking). Town Center District is currently budgeted to provide \$4,640,000 toward the library, but the Executive recommends a reduction in the Town Center share to \$3,940,000 to reflect an allocation of costs based on the number of currently planned dwelling units among the three districts. Completion of the library is currently scheduled for June 2011.

Clarksburg Village South Local Park: Recognizing the importance and health benefits of locally accessible parks, the Executive proposes district funding to assure timely development of the eight-acre South Local Park site, which the developer is currently required to only dedicate and grade. The improvements planned by Parks Department staff include two ball fields (softball and soccer/lacrosse), playgrounds, shelters, a hard-surface court, and parking. Estimated cost is \$1,500,000.

Trail Enhancements in Clarksburg Village: To improve safety and security for users of the Greenway Trail system, the Executive recommends design enhancements where the trail will cross Foreman Boulevard and Snowden Farm Parkway. Under Planning Board requirements, the developer is not currently required to provide these enhancements. The Executive recommends that at Foreman Blvd., the originally planned

trail underpass be enlarged to a minimum dimension of 14' 6" wide by 13' 5" high, and that appropriate security lighting be provided. At Snowden Farm Parkway, where no trail separation has been required, the Executive recommends that an underpass be added in the interest of pedestrian and bicycle safety, due to the close proximity of a planned major road intersection. Further, since this underpass would be near the planned neighborhood retail center, it is recommended that community input be invited regarding the design and configuration of the new underpass. The incremental costs of these enhancements are estimated at \$200,000 at Foreman Blvd and \$600,000 at Snowden Farm Parkway. The enhancements would be provided during construction of the respective roads.

To encourage timely completion of the South Local Park and the trail crossing enhancements, the Executive proposes that developer reimbursement for each segment of Snowden Farm Parkway occur only after the most closely related park and trail enhancements have been completed and accepted by the respective agencies.

Greenway Trail Continuity Under the Clarksburg Village Phase II site plan now under consideration by the Planning Board, a 500-foot gap in trail continuity will remain across an 8-acre parcel that is not in Village ownership. This gap (near Little Seneca Parkway and MD-355) is not the responsibility of any developer, but is contingent on future Planning Board action to acquire a right-of-way and extend the trail across this parcel. A temporary alignment around this parcel may be provided by the Village developer, but in order to assure eventual full continuity of the trail, the Executive proposes that after Board (or developer) acquisition of a right-of-way across this parcel, the cost of construction (estimated at \$200,000) should be funded by Village District. Funding is not intended to include right-of-way acquisition.

PROJECTS CONSIDERED BUT NOT RECOMMENDED FOR DEVELOPMENT DISTRICT FUNDING

The following projects were included in the developers' petitions to Council but the Executive does not endorse them for development district funding, in order to reduce the district tax burdens.

ROADS

Snowden Farm Parkway (A-305), Stringtown Road to Foreman Blvd.
This 1.1 mile segment of four-lane roadway is open to traffic to Grand Elm Street, and is under construction to Foreman Boulevard. Estimated cost is \$6,500,000.

Little Seneca Parkway (A-302) This road will be built by Clarksburg Village and Skylark developers between MD27 and MD355. It will ultimately be extended (by others) to a new interchange with I-270 and eventually to MD121 in the Cabin Branch area, providing a significant increase in east-west road capacity across the Planning Area. West of Snowden Farm Parkway, the road will be four-lane divided with a bike path along the north side. East of Snowden Farm Parkway it will have two travel lanes plus bike lanes and parking lanes. The two-lane segment will be built by Skylark (cost \$8,750,000; projected completion in 2010). Clarksburg Village will be responsible for the four-lane segment (cost \$10,810,000; to be completed by 2010).

Foreman Blvd Extension Although classified as an arterial road, this extension will be only two lanes wide. It will connect to the existing section at Timber Creek Lane, one block east of MD355, thereby providing access to the new Clarksburg High School. Cost is projected at \$3,850,000; completion is forecast for 2009. The Executive does not recommend district funding for this project, except for enhancement of the underpass for the Greenway Trail, as described earlier.

Skylark Road The Skylark developer is required to reconstruct Skylark Road as a two-lane primary residential street. The cost of this 1.4-mile project is \$4,980,000, not including a \$500,000 contribution from the County CIP for the segment that abuts Ovid Hazen Wells Park. Most of this project has been completed.

Intersection Improvements The developers are required to increase capacity at three nearby intersections. The improvements were included in the developers' petition, but are not recommended for district funding.

- MD355 at MD27: construct a second left turn lane from northbound MD355 to westbound MD27 (completed; cost \$300,000);
- MD27 at Brink Road: construct additional turn lanes and approach lanes (completed; cost \$300,000)
- MD355 at Brink Road: construct additional turn lanes and approach lanes (to be completed in 2008; cost \$850,000).

SIDEWALKS AND TRAILS

Sidewalks and bicycle trails are required along all arterial roads within both developments, and they are reflected in the road cost estimates. In addition, an 8-foot wide paved Greenway Trail system will be built, partly in stream valleys to be dedicated to M-NCPPC, and partly along the north side of Little Seneca Parkway. The Greenway will be part of a larger system of trails in the Clarksburg Planning Area, providing access to Town Center, Clarksburg High and Middle Schools, Ovid Hazen Wells Park, and Black Hills and Little Bennett Regional Parks. Costs of the Greenway Trail segments within Village District are projected at \$1,820,000 and within Skylark District, \$920,000.

They are expected to be completed by the end of 2011. Trail segments that are Clarksburg Village responsibility are to be completed prior to issuance of the 698th building permit. The Executive strongly supports the provision of trails, but believes that development district funding for trails should be focused on the other projects described earlier.

SCHOOL SITE GRADING

The Planning Board requires that developers dedicate and grade sites for future public schools. Montgomery County Public Schools requires that any fill on schools sites be "engineered fill" adequate for the siting of school buildings. The developer of Clarksburg Village proposed District funding for the costs of final grading, reforestation and storm water facilities for a 10-acre elementary school site near the Village retail center (\$630,000) and for a 12-acre elementary school/park site near the north end of the community (\$750,000 to include grading for ball fields). The developer of Skylark is required to dedicate and final grade a 22-acre site bordered by Skylark Road, MD27 and Little Seneca Parkway for a future middle school (grading cost of \$1,130,000). The Executive does not support development district funding for school site grading in either district.

LOCAL PARKS

Dedication of land and grading for three local parks is required of the developers of Village (two sites) and Skylark (one site). The Skylark developer is also required to provide the facilities in the Skylark Local Park. Cost for grading and development of the Skylark park site is approximately \$4,000,000; projected completion is December 2008. In Clarksburg Village, the developer is required to grade sites for two local parks. In addition, under a Plan of Compliance agreement executed with the Planning Board in 2006, the developer is required to construct recreation facilities on the Clarksburg Village North Local Park/school site. The developer is not currently required to provide park facilities on the South Local Park site. The Executive does not support district funding of developer costs for grading or building parks that are already required by the Planning Board.

NEIGHBORHOOD COMMUNITY CENTER

In the Skylark developer's original petition, district funding was requested for a 2,000 square-foot community center proposed for the retail area at the intersection of Snowden Farm Parkway and Little Seneca Parkway. Since these facilities are now planned to be located in leased space, and not be permanent, development district bond funding is not appropriate for such a center.

Appendix C

CLARKSBURG VILLAGE AND CLARKSBURG SKYLARK DISTRICTS

PRELIMINARY ESTIMATES OF BOND FUNDS AND TAX RATES

PROJECTED SOURCES AND USES OF BOND FUNDS

	For Developer Proposal	For County Executive Proposal
Sources of Funds:		
Total Bond Proceeds	\$83.6	\$45.2
Interest Earned in Improvement Fund	<u>\$0.0</u>	<u>\$1.6</u>
Total Sources of Funds	\$83.6	\$46.8
Total Uses of Funds:		
Public Infrastructure	\$71.0	\$39.4
Costs of Issuance of Bonds	\$1.2	\$1.2
Bond Underwriter's Discount	\$1.3	\$0.7
Capitalized Interest	\$1.8	\$1.0
Reserve Fund	<u>\$8.4</u>	<u>\$4.5</u>
Total Uses of Funds	\$83.6	\$46.8

PROJECTED SPECIAL TAXES AND ASSESSMENTS IN FIRST YEAR OF BOND ISSUE

	For Developer Proposal	For County Executive Proposal
Special Tax Rate (all Property)	20.8 cents per \$100	11.2 cents per \$100
Special Assessment Rate on Retail and Undeveloped Residential Land	\$214 per EDU	\$194 per EDU

(EDU means Equivalent Dwelling Unit)

Illustrative Special Tax Burden on Developed Residential Uses:

Single Family House (\$700,000 value)	\$1,515	\$815
Town House (\$500,000 value)	\$1,082	\$582
Multifamily (\$140,000 value)	\$260	\$140

APPENDIX D

